To: Engelman, Alexa[ENGELMAN.ALEXA@EPA.GOV]

From: Dermer, Michele

Sent: Thur 3/12/2015 5:37:42 AM

Subject: Fw: California Regulators Say They're Protecting Drinking Water from Oil Waste Disposal

Wells

documents indicating those at the state issuing permits "had a financial interest in the outcome". first time i have seen that in print. i would like to see those documents, wouldn't you?

From: Graves, Brian

Sent: Wednesday, March 11, 2015 6:27 AM

To: Bates, William; Belaval, Marcel; Cheung, Wendy; Coffman, Joel; Cole, Larry; Cutler, Thor; Dermer, Michele; Elkins, Timothy; Ferreira, James; Frazier, Mike; Garrett, David; Graves, Brian; Hildebrandt, Kurt; Johnson, Ken-E; Jollie, Jeff; Kim, Lisa; Kobelski, Bruce; Micham, Ross; Platt, Steve; Rectenwald, David; Robin, George; Rodriguez, Luis; Rumrill, Nancy; Smith, Robert-Eu; Springborg, Denise; Tinsley, Chuck; Lawrence, Rob; R6 6WQ-SG; Gillespie, David

Subject: California Regulators Say They're Protecting Drinking Water from Oil Waste Disposal Wells

California Regulators Say They're Protecting Drinking Water from Oil Waste Disposal Wells

By Carolyn Whetzel BNA

March 10 — California regulators are making progress in ensuring drinking water supplies are protected from waste disposal wells used in the recovery of oil and gas, Secretary of Natural Resources John Laird told state lawmakers March 10.

Speaking at a joint State Senate committee hearing, Laird and other state officials outlined efforts underway in evaluating potential threats to groundwater due to long-standing deficiencies in the state's Class II underground injection well control program. Those efforts include recent orders for the closure of 12 injection wells (42 DEN A-13, 3/4/15).

Last year, the state hired new staff and formed an interagency team to address problems with the program, Laird said at the oversight hearing convened by the Senate Environmental Quality Committee and Natural Resources and Water Committee.

The oversight hearing was in response to the Department of Conservation's Division of Oil, Gas and Geothermal Resources (DOGGR) recent acknowledgment that over several years it had allowed the drilling of some of the disposal wells into aquifers with water suitable for drinking or irrigation, which federal law prohibits.

23 Wells Shut Down

At the hearing, officials from DOGGR and the State Water Resources Control Board said that the U.S. Environmental Protection Agency March 9 approved the plan they submitted last month to bring the injection well program into compliance with the Safe Drinking Water Act by Feb. 15, 2017 (27 DEN A-10, 2/10/15).

The state's oil and gas supervisor, Steve Bohlen, said that since July 2014, the state has shut down 23 of the wells. Bohlen said DOGGR is working with the state water board to evaluate potential threats from nearly 140 additional injection wells used for disposal of production fluids.

Members of the Senate committees questioned the regulators about oversight of the program and why has it taken the current administration so long to address a problem it has known about for four years.

Department of Conservation Director Mark Nechodom said much of DOGGR's efforts over the last few years has been focused on drafting new regulations for hydraulic fracturing and other types of well stimulation. The agency also had to overcome staffing and resources shortages, he said. Even after the legislature increased DOGGR's budget, it took nearly two years to add staff, Nechodom said.

Program Overhaul

Sen. Hannah Beth Jackson (D) said that in preparing the hearing, she read documents indicating the state had people granting permits who had a financial interest in the outcome.

"How do we prevent this kind of thing from happening again," she said.

Laird said the program is being thoroughly overhauled to prevent future problems.

California Environmental Protection Agency Secretary Matt Rodriquez said that a review of the program found much confusion between the EPA and DOGGR involving which aquifers were off-limits for the wells. Also, the development of new oil and gas production technologies caused confusion as to where injection wells could be drilled.

Representatives from environmental groups also spoke at the hearing, urging the immediate closure of all the injection wells drilled in aquifers that are not officially exempted by the EPA.